Tea and Coffee production

1255. SHRI MANOJ BHATTACHARYA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that country's tea and coffee production have been stagnant for the last one decade or so;

(b) if so, the details thereof and the reasons therefor;

(c) the steps proposed to be taken to boost production so as to augment country's foreign and domestic demand;

(d) whether Government are aware of the pathetic state of affairs of the plantation labour; and

(e) if so, the action proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO): (a) and (b) The production of tea and coffee has not been stagnant over the past one decade. While production of tea increased from 768.05 million kgs in 1992-93 to 837.60 million kgs in 2002-03, production of coffee increased from about 1.7 lakh tonnes in 1992-93 to about 2.75 lakh tonnes in 2002-03. Any downward fluctuations in production witnessed in some years were largely due to the prevailing adverse agro-climatic conditions in those years.

(c) Both Tea and the Coffee Boards are implementing several schemes during the 10th Plan period under which financial and technical assistance is provided to the industry for augmenting the productivity, quality and marketability of tea and coffee produced in the country. Assistance is provided for developmental activities like replantation, rejuvenation, modernization of processing facilities and development of domestic and export markets. An outlay of Rs. 350 crores and Rs. 300 crores has been provided for the development of the tea and coffee sectors respectively, during the 10th Plan period.

(d) and (e) The welfare and conditions of work of the plantation labour are governed by the Plantation Labour Act 1951, which provides for facilities like drinking water, conservancy, medical, canteen, creches, education, housing etc. Further, the Tea and Coffee Boards are also

implementing various programmes to improve the socio-economic conditions of plantation labourers.

Setback to coffee export

1256. DR. DASARI NARAYANA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that export of coffee from the country particularly to the developed countries and also the domestic consumption has suffered a setback in the recent past;

(b) if so, the details thereof and the reasons therefor;

(c) whether exports are suffering due to stiff competition from Vietnam; and

(d) if so, what corrective measures Government are taking in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNANANENI VIDYASAGAR RAO): (a) and (b) During 2001-02 and 2002-03, the quantity of coffee exported from India was 2.14 lakh tonnes and 2.07 lakhs tonnes respectively as against 2.47 lakh tonnes exported in the year 2000-01. One reason for this decline is the increase in domestic consumption of coffee in the last two years from around 55,000-60,000 tonnes per annum to around 70,000 tonnes per annum. Further, the production of coffee, which has a direct linkage to the quantity of coffee exported, has also declined from 3 lakh tonnes in 2001-02 to 2.75 lakh tonnes in 2002-03, resulting in lesser exports.

Coffee exports to major developed countries like Russia, Belgium and Spain have been more or less consistent in the last few years while exports to Italy have shown a significant increase. However, exports to USA and Germany have shown a downward trend in the past two years mainly on account of logistical advantage of origin like Brazil and other Central American producers because of their closer proximity to USA and in the case of Germany, its preference for cheaper Robusta coffees from origins like Vietnam.

(c) and (d) It is a fact that there is an increasing threat from bigger coffee producing origins such as Brazil (in arabica) and Vietnam (in